

**UNCLASSIFIED**OCA  
INCOMING

/12/

UNCLASSIFIED  
PRIORITY

FRP: , , 3 , , , ,

STATE

STAT

88 9415262 SUP

PAGE 001  
TOR: 290638Z JUN 88NC 9415262  
STATE 207788

PP RUEAIIB  
ZNR UUUUU ZOC STATE ZZH  
PP RUEHC  
DE RUEHC #7788 1800609  
ZNR UUUUU ZZH  
P 290606Z JUN 88  
FM SECSTATE WASHDC  
TO USMISSION USVIENNA PRIORITY OOOO  
BT  
UNCLAS STATE 207788

USVIENNA FOR UNVIE

E.O. 12356: N/A  
TAGS: KNNP, IAEA  
SUBJECT: AMBASSADOR DESIGNATE MICHAEL NEWLIN'S  
CONFIRMATION HEARING

1. ON JUNE 28, 1988 THE SENATE FOREIGN RELATIONS COMMITTEE (SFRC) HELD A CONFIRMATION HEARING FOR MICHAEL NEWLIN, AMBASSADOR DESIGNATE FOR REPRESENTATIVE TO THE UNITED NATIONS OFFICE IN VIENNA. THE HEARING WAS BRIEF AND NON-CONTROVERSIAL. SENATOR PELL (D-RHODE-ISLAND) CHAIRED THE SESSION, AND SENATOR MURKOWSKI (R-ALASKA) WAS ALSO PRESENT. AMB. NEWLIN REQUESTED THAT HIS PREPARED STATEMENT (FULL TEXT IN PARAGRAPH 6 BELOW) BE INCLUDED IN THE RECORD, TO WHICH CHAIRMAN PELL AGREED.

2. PELL THEN ASKED WHICH ORGANIZATIONS AMB. NEWLIN WOULD BE INVOLVED WITH, AND WHAT U.S. INTERESTS WERE REPRESENTED IN THESE ORGANIZATIONS. HE ALSO ASKED HOW THE VARIOUS ORGANIZATIONS WERE LINKED WITHIN THE UN SYSTEM. NEWLIN GAVE A BRIEF RESPONSE, INDICATING THAT HIS PREPARED STATEMENT COVERED MUCH OF THIS INFORMATION, WHICH PELL READILY ACCEPTED.

3. PELL THEN ASKED WHAT PERCENTAGE OF THE BUDGETS OF THESE ORGANIZATIONS IS PROVIDED BY THE UNITED STATES. NEWLIN RESPONDED THAT THE PERCENTAGE VARIES ACCORDING TO THE ORGANIZATION, BUT THAT FOR MOST OF THE VIENNA-BASED ORGANIZATIONS, WE PROVIDE TWENTY FIVE PERCENT. HE CITED THE IAEA WHERE WE HAVE BEEN ABLE TO MEET OUR ASSESSMENT FOR 1986 AND 1987, BUT PROBABLY WILL NOT BE ABLE TO DO SO FOR 1988, SINCE UNDER THE BUDGET SUMMIT AGREEMENT CONCLUDED WITH THE CONGRESS LATE LAST YEAR, THE EXECUTIVE BRANCH IS COMMITTED TO ONLY A TWO PERCENT INCREASE OVER PRIOR YEAR FUNDING. THIS INCREASE WILL NOT PERMIT FULL PAYMENT OF OUR ASSESSMENT TO IAEA. PELL NOTED THAT HE REGARDED THIS PROBLEM AS "WELSHING." WHEN REMINDED BY NEWLIN THAT CONGRESS IS THE SOURCE OF FUNDING, PELL FURTHER NOTED THAT HE REGARDS CONGRESS AS A PARTY TO THIS "WELSHING."

4. PELL'S FINAL QUESTION DEALT WITH THE OPERATIONAL STATUS OF AUSTRIA'S COMPLETED BUT NON-OPERATIONAL NUCLEAR POWER REACTOR. NEWLIN CONFIRMED THAT THIS STATUS REMAINS UNCHANGED.

5. IN A BRIEF INTERVENTION, SENATOR MURKOWSKI PRAISED THE

**UNCLASSIFIED**

**UNCLASSIFIED**

88 9415262 SUP

PAGE 002  
TOR: 290638Z JUN 88

NC 9415262  
STATE 207788

WORK OF AMBASSADOR DESIGNATE NEWLIN IN HIS CURRENT POSITION AS DEPUTY ASSISTANT SECRETARY IN CONSULAR AFFAIRS, AND WISHED HIM SIMILAR SUCCESS IN HIS NEW POSITION.

6. TEXT OF AMBASSADOR-DESIGNATE NEWLIN'S STATEMENT TO THE SFRC IS AS FOLLOWS:

BEGIN TEXT:

-- STATEMENT OF MICHAEL H. NEWLIN  
-- AMBASSADOR DESIGNATE  
-- BEFORE THE SENATE COMMITTEE ON FOREIGN RELATIONS  
-- JUNE 28, 1988

MR. CHAIRMAN, MEMBERS OF THE COMMITTEE

I APPRECIATE THE OPPORTUNITY TO APPEAR BEFORE THE COMMITTEE TO DISCUSS MY NOMINATION AS UNITED STATES REPRESENTATIVE TO THE UNITED NATIONS OFFICE IN VIENNA AND AS DEPUTY UNITED STATES REPRESENTATIVE TO THE INTERNATIONAL ATOMIC ENERGY AGENCY.

IN ADDITION TO THE IAEA, MY RESPONSIBILITIES WILL INCLUDE UNITED STATES INTERESTS IN THE UNITED NATIONS INDUSTRIAL

DEVELOPMENT ORGANIZATION (UNIDO), THE THREE UN DRUGS CONTROL AGENCIES, THE UNITED NATIONS RELIEF AND WORKS AGENCY FOR PALESTINE REFUGEES IN THE NEAR EAST (UNRWA), AND THE UN CENTER FOR SOCIAL DEVELOPMENT AND HUMANITARIAN AFFAIRS.

AS MEMBERS OF THE COMMITTEE KNOW, THIS WILL NOT BE MY FIRST ASSIGNMENT IN THE AREA OF MULTILATERAL DIPLOMACY. I HAVE WORKED ON UN ISSUES AT USUN IN NEW YORK AND DURING TOURS IN THE DEPARTMENT OF STATE; AT ONE TIME I SERVED AS SENIOR DEPUTY ASSISTANT SECRETARY IN THE BUREAU OF INTERNATIONAL ORGANIZATIONS AFFAIRS. WHEN ASSIGNED TO OUR MISSION TO NATO, I WORKED ON NUCLEAR NON-PROLIFERATION. AS A RESULT OF THESE AND OTHER ASSIGNMENTS, I AM FULLY FAMILIAR WITH THE OPERATIONS AND PROGRAMS OF THE AGENCIES OF THE UNITED NATIONS SYSTEM AND WITH THE RANGE OF ISSUES THAT THE UNITED STATES IS PURSUING WITH THESE AGENCIES.

I WELCOME THE OPPORTUNITY TO RESUME MY INVOLVEMENT WITH THE UN SYSTEM IN THIS NEW CAPACITY. IF CONFIRMED, THE COMMITTEE MAY BE ASSURED THAT I WILL VIGOROUSLY PROMOTE U.S. INTERESTS IN THE INTERNATIONAL AGENCIES, AND SEEK TO ENSURE THAT THE AGENCIES ARE RESPONSIVE TO U.S. CONCERNS AND THAT THEY MERIT CONTINUED SUPPORT FROM THE GOVERNMENT OF THE UNITED STATES.

I FULLY RECOGNIZE THAT THIS IS A TIME OF GREAT DIFFICULTY FOR THE AGENCIES OF THE UN SYSTEM AND THAT THE UNITED STATES IS BEING SEVERELY CRITICIZED FOR ITS INABILITY TO MAKE FULL PAYMENT OF ITS LEGALLY ESTABLISHED ASSESSMENTS. THE CHALLENGES INHERENT IN THIS NEW ASSIGNMENT ARE SUBSTANTIAL INDEED. FOR THAT REASON, I INTEND TO WORK TO ENSURE FULL UNDERSTANDING BY THE INTERNATIONAL AGENCIES OF THE FINANCIAL SITUATION FACING THE UNITED STATES GOVERNMENT, WHILE AT THE SAME TIME I HOPE TO PERSUADE THEM TO ADJUST TO THESE NEW REALITIES. I ALSO WILL ENSURE THAT THEY UNDERSTAND FULLY THE CONTINUING AND FIRM COMMITMENT OF THE UNITED STATES TO REFORM IN THE UN SYSTEM, WHERE IT IS NEEDED. I SEE THIS COMMITMENT AS A MANIFESTATION OF OUR CONTINUING DEDICATION TO THE FOUNDING PRINCIPLES OF THE UNITED NATIONS. I AM CONFIDENT THAT A REASONABLE MODUS OPERANDI CAN BE DEVELOPED AND IMPLEMENTED.

**UNCLASSIFIED**

**UNCLASSIFIED**

88 9415262 SUP

PAGE 003  
TOR: 290638Z JUN 88NC 9415262  
STATE 207788

LET ME MAKE JUST A FEW COMMENTS ABOUT THE SPECIFIC AGENCIES THAT WILL FALL WITHIN MY SPHERE OF RESPONSIBILITY:

THE IAEA IS ONE OF THE BEST KNOWN OF THE INTERNATIONAL AGENCIES, AND ITS WORK IS VITALLY IMPORTANT TO THE UNITED

STATES. IT IS BASIC TO OUR CONCERNS FOR NATIONAL SECURITY, FOR THE NON-PROLIFERATION OF NUCLEAR WEAPONS, AND FOR THE OPERATION OF INTERNATIONAL SAFEGUARDS WHICH PROVIDE CREDIBLE ASSURANCE THAT NUCLEAR MATERIAL AND TECHNOLOGY IN PEACEFUL NUCLEAR PROGRAMS ARE USED EXCLUSIVELY FOR PEACEFUL PURPOSES. I BELIEVE WE SHOULD GIVE THE FULLEST POSSIBLE SUPPORT TO THE WORK OF THE IAEA, AND I WILL GIVE MAJOR ATTENTION TO THIS EFFORT.

THE NARCOTICS CONTROL AGENCIES ARE OF INCREASING IMPORTANCE IN THE U.S. FIGHT TO ELIMINATE ILLEGAL DRUG PRODUCTION, DRUG ABUSE AND DRUG TRAFFICKING. I BELIEVE IT IS CRUCIAL THAT THE U.S. GOVERNMENT PROVIDE LEADERSHIP TO FOLLOW UP THE SUCCESS OF THE JUNE 1987 INTERNATIONAL CONFERENCE ON DRUG ABUSE AND ILLICIT TRAFFICKING. IT IS ALSO OF CRITICAL IMPORTANCE TO BUILD ON THE COMMITMENT MADE BY THE SUMMIT SEVEN IN TORONTO, WHERE THE MAJOR ECONOMIC POWERS OF THE WORLD PLEDGE TO UNDERTAKE NEW INTERNATIONAL COOPERATIVE EFFORTS, ESPECIALLY IN THE MULTILATERAL ARENA. ONE OF MY FIRST ASSIGNMENTS WILL BE TO HELP ASSURE THE SUCCESSFUL COMPLETION OF THE NEW INTERNATIONAL CONVENTION AGAINST DRUG TRAFFICKING, WHICH HAS BEEN THE SUBJECT OF THREE YEARS OF VIGOROUS NEGOTIATION. I LOOK FORWARD TO THIS OPPORTUNITY TO HELP CONGRESS IN ITS HIGH PRIORITY WAR ON DRUGS. IN THIS PROCESS, I INTEND TO WORK CLOSELY WITH THE DIVISION OF NARCOTIC DRUGS (DND), THE INTERNATIONAL NARCOTICS CONTROL BOARD (INCB), AND THE UN FUND FOR DRUG ABUSE CONTROL (UNFODAC) SO THAT THEY CAN ENERGIZE THE TYPE OF INTERNATIONAL COOPERATION THAT IS SO ESSENTIAL FOR EFFECTIVE ACTION IN THIS FIELD.

UNRWA CONTINUES TO PLAY A VITAL ROLE IN SEEKING TO CREATE A CLIMATE OF STABILITY IN THE MIDDLE EAST. THE AGENCY PROMOTES SELF-RELIANCE THROUGH EDUCATION AND VOCATIONAL TRAINING AND PROVIDES BASIC HEALTH CARE TO SOME TWO MILLION PALESTINIANS. PARTICULARLY IN THE ABSENCE OF A REGIONAL SETTLEMENT IN THE MIDDLE EAST AND IN THE ABSENCE OF A RESOLUTION OF THE PROBLEMS OF THE PALESTINIAN REFUGEES, UNRWA WILL CONTINUE TO NEED OUR STRONG SUPPORT.

THE UN CENTER FOR SOCIAL DEVELOPMENT AND HUMANITARIAN AFFAIRS WARRANTS CAREFUL ATTENTION. MUCH OF THE WORK OF ITS THREE BRANCHES -- DEALING WITH ADVANCEMENT FOR WOMEN, CRIME PREVENTION, AND SOCIAL DEVELOPMENT -- CONSISTS OF VALUABLE CONTRIBUTIONS TO THE INTERNATIONAL ARENA. I INTEND TO GIVE STEADY ATTENTION TO THE ASPECTS OF THIS WORK WHICH NEED TO BE REDIRECTED.

UNIDO ONLY RECENTLY HAS BECOME AN AUTONOMOUS SPECIALIZED AGENCY OF THE UN SYSTEM. IT IS GENERALLY PRO-WESTERN AND MARKET-ORIENTED, AND IT HAS BEEN DOING GOOD WORK IN INCREASING THE ROLE OF THE PRIVATE SECTOR IN DEVELOPING NATIONS. I BELIEVE THE ORGANIZATION HAS GOTTEN OFF TO A GOOD START IN ITS NEW STATUS, AND I WILL WORK HARD TO ENCOURAGE IT ALONG THESE LINES.

MR. CHAIRMAN, I AM PLEASED TO HAVE BEEN NOMINATED TO THIS POST BY PRESIDENT REAGAN, AND I LOOK FORWARD TO TAKING UP THE CHALLENGES THAT THIS ASSIGNMENT WILL ENTAIL. I WOULD BE PLEASED TO ANSWER ANY QUESTIONS YOU MAY HAVE.

END TEXT. SHULTZ

**UNCLASSIFIED**

**UNCLASSIFIED**

88 9415262 SUP

PAGE 004  
TOR: 290638Z JUN 88

NC 9415262  
STATE 207788

END OF MESSAGE

UNCLASSIFIED

**UNCLASSIFIED**